



General Assembly

Substitute Bill No. 5383

January Session, 2003

AN ACT CONCERNING LIVING WAGES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 32-701 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2003*):

3 (a) The terms and conditions of any agreement for state assistance
4 [under any program of the general statutes] to a business entity
5 operated for profit under any program established pursuant to the
6 general statutes and administered by the Department of Economic and
7 Community Development, Connecticut Development Authority and
8 Connecticut Innovations, Incorporated, shall include [provisions for]
9 (1) specific goals for the creation and retention of full-time and part-
10 time jobs and for periodic reports by the recipient on progress in
11 achieving such goals if the primary purpose of the state assistance is
12 job creation or retention, [and] (2) a requirement that an applicant for
13 any type of state assistance, except grants and loans of a term of less
14 than one year, provide the agency with appropriate security for such
15 financial assistance, including, but not limited to, a letter of credit, a
16 lien on real property or a security interest in goods, equipment,
17 inventory or other property of any kind and that the recipient of such
18 state assistance will remain in substantial material compliance with
19 state and federal law, and (3) a requirement that an applicant for state
20 assistance, other than an applicant to Connecticut Innovations,
21 Incorporated for state assistance, pay each full-time employee a living

22 wage. For purposes of this section, "living wage" means an annual
 23 wage that is equal to at least one hundred thirty per cent of the current
 24 federal poverty guidelines, issued by the Department of Health and
 25 Human Services, for a family of four, except that an applicant may pay
 26 a wage lower than a living wage to any person to whom a wage lower
 27 than the federal minimum wage may be paid under 29 USC 214. The
 28 Labor Commissioner shall adopt regulations, in accordance with the
 29 provisions of chapter 54, establishing the amount of wages that shall
 30 be paid to such persons.

31 (b) If a recipient fails to create or retain the number of jobs in this
 32 state stipulated in an agreement for state assistance and such failure is
 33 due to circumstances within the control of such recipient, the recipient
 34 shall repay an amount that is in proportion to the number of jobs that
 35 it failed to create or retain unless the awarding authority deems it is in
 36 the best interests of the state or the community in which the recipient
 37 is located to revise such job creation goals. In such event, the parties
 38 shall enter into a revised agreement subject to the approvals required
 39 by subsection (c) of this section. Upon request of the awarding
 40 authority, a recipient shall provide information necessary to determine
 41 compliance with this section, including information showing the
 42 compensation paid to employees on jobs created as a result of the state
 43 assistance.

44 (c) The awarding authority, in its discretion, may modify the terms
 45 and conditions of any state assistance, including, but not limited to,
 46 forgiveness of repayment of a loan, revision of job creation and
 47 retention goals or changes to interest rates, provided such awarding
 48 authority notifies the State Bond Commission or the appropriate board
 49 of directors, if any, of the modification.

This act shall take effect as follows:	
Section 1	October 1, 2003

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Joint Favorable Subst. C/R

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